

Memorandum

Date : May 4, 2000
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To : Robert A. Laurie, Presiding Member
Michal Moore, Associate Member

: California Energy Commission - **Kae C. Lewis**
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Subject : **PASTORIA ENERGY FACILITY STATUS REPORT #1 – May 4, 2000**

Since the March 13, 2000 Pastoria Energy Facility (PEF) Informational Hearing, staff has conducted one data response workshop, one project scheduling workshop, and one issue workshop to discuss biological resources. The workshops provided an opportunity to address the staff's data requests and responses that PEF submitted to staff during March and April. As of May 2, PEF has responded to nearly all data requests from staff. Additional response material is still forthcoming in two technical areas (visual and cultural resources) and is expected in a timely manner. Based on current information submitted by PEF, the staff expects to issue additional data requests in two technical areas (water and air resources) in early May.

On March 1, 2000 PEF submitted a project description letter which clarified three aspects of the project: route of the natural gas line, selection of a wastewater discharge system, and location of the water supply tie-in point. Additional major project changes are not expected given the current level of information.

Significant Issues: On April 10, 2000 the Project Committee issued a scheduling order for the PEF project. It directs that the Preliminary Staff Assessment (PSA) be filed by July 10, 2000. In order to complete this product the staff is working with PEF and other agencies to resolve three *significant* issues:

Water Resources: Negotiations for the PEF water supply have not been concluded. The primary supply will be provided by Wheeler Ridge-Maricopa Water Storage District which approved a tariff on April 12 allowing contracts with large industrial customers. PEF has not yet completed its negotiations with Azurix, a water brokering firm, for the backup supply which it may require in some dry years. PEF expects to submit a thorough description of its completed water supply arrangements by May 10.

Biological Resources: To comply with obligations under the federal Endangered Species Act (ESA), PEF has submitted a draft Habitat Conservation Plan to the US Fish and Wildlife Service (USFWS) for their comments. They expect to receive initial comments at a meeting with USFWS on May 8. As part of the ESA mitigations required by USFWS, PEF must provide conservation easements near the power plant site. PEF has not yet completed negotiations with the landowner (Tejon Ranch) for these property easements.

Air Quality: The acquisition of all necessary emission reduction credits (ERCs) is not complete. PEF expects to submit a complete list of acquired ERCs to staff by May 10. If this submittal takes place on schedule, the Preliminary Determination of Compliance (PDOC) can be issued by the San Joaquin Valley Unified Air Pollution Control District by the end of May as currently scheduled.

Schedule: Significant progress towards resolving the issues identified above during the month of May will enable the staff to submit a more complete PSA by the due date of July 10.

cc: Pastoria Energy Facility Proof of Service List